

Lansing Connection



State Senator Nancy Cassis

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Dear Friends,

As summer is fast approaching, I want to update you on some of the latest legislative activities in Lansing.

We continue to realize just how much many Michigan families and job providers are struggling as our state remains in recession. My attention and work remain focused on both budget and tax reform. I have heard from you that revitalizing Michigan's economy is a top priority.

I want to thank you for the honor and privilege of serving as your state senator. I assure, you that my commitment remains strong to foster the three "E's": grow the Economy, promote Entrepreneurship, and support Education.

As always please visit my website at www.senatornancycassis.com and/or contact me at 1-888-38 NANCY with your questions, ideas, and issues.

Best Wishes,

Nancy Cassis

Nancy Cassis, State Senator, 15th District

Energize the economy **NOW**

Michigan businesses are hurting as they face both a state mired in recession and an increased tax burden. They need action now. The quickest and best way to stimulate the economy is to give tax relief to Michigan businesses that provide the jobs for our working families.

Senate Republicans are acting immediately to spur job retention and creation by approving a phase-out of the punitive 22 percent Michigan Business Tax (MBT) surcharge. I co-sponsored Senate Bill 1, which will lift a huge weight off the backs of local businesses. Importantly, these job providers will be able to stay in our state, keep employing Michigan workers and invest in the future.

Our residents need good, long-term jobs that will enable them to remain in Michigan and raise a family here.

To help foster consumer confidence, we need to restrain state spending and make real cuts to help balance budget deficits of \$1.3 billion this year and \$1.6 billion in 2010. This will also send a message to job providers and working families that energizing the state's economy is our top priority.



Three tax relief bills help consumers, homeowners and job providers

Three measures that will reduce the tax burden on Michigan consumers, homeowners and small businesses have passed in the Senate and await action in the House. The cornerstone of these is a bill I sponsored to provide business tax relief to small and growing businesses.

Senate Bill 69 would allow more small businesses to qualify for the 1.8 percent alternative profits tax. This measure will help retain Michigan's current jobs and jumpstart our economy to create new ones.

As chair of the Senate Finance Committee, I often hear from our locally-owned small businesses about their tax liability skyrocketing under the Michigan Business Tax (MBT). Already struggling to make ends meet in a dire economy, their increased liability has forced them to make the tough decision to scale back and cut jobs, move out of the state or close their doors entirely. Turning around our state must start with bolstering small businesses that provide roughly 80 percent of the jobs in Michigan.

The bill also would allow startup businesses to grow and prosper. It expands eligibility for the Michigan Entrepreneurial Exemption (ME-2) and extends the credit for an additional three years.

Another measure of mine, Senate Bill 191, increases the homestead property income tax credit from \$1,200 to \$1,300 and allows more Michigan homeowners to qualify for the full credit. This would be the first change to the credit in 25 years. The bill also provides an additional \$50 increase for seniors or totally disabled individuals and indexes the credit value to inflation. In these difficult economic times tax relief for homeowners is very important.

A third tax relief measure is Senate Bill 201, which would help reduce the cost of purchasing a new or used vehicle. Currently, when an individual buys a new or used car, the state sales tax is applied to the full sales price of the vehicle. Under SB 201, the state's six percent sales tax would be applied only to the difference between the price of a new car and the value of a trade-in. The bill would also apply to the purchase of a new or used boat, recreational vehicle, snowmobile or heavy machinery.

These bills will help us revitalize our housing market, our economy, and our hope for the state's future.

SAVE

Legislation I sponsored called SAVE the Children was signed into law last year and has already caught the attention of the Eaton County Intermediate School District.

Public Act 582 of 2008 allows intermediate school districts (ISDs) to develop model early intervening programs for children in kindergarten through third grade and make the programs available to their constituent districts and public school academies.

The Eaton ISD recently hosted a meeting with representatives of five mid-Michigan ISDs to promote and discuss this innovative program. SAVE the Children will address learning problems early and give students the skills required to succeed in school and life.

As a former school psychologist, I have seen that a team approach is the most effective way to



Photo taken by John Heider, Novi News

Senator Cassis was a guest reader at Novi's Parkview Elementary first-grade class for March is Reading Month.

overcome learning obstacles. Having parents, teachers and educational specialists working together is vital to giving our young learners the best start possible. This is one of the most important achievements in my career as an educator and legislator.

For more information on the SAVE the Children program, visit my Web site at www.SenatorNancyCassis.com.

Senate acts to **help homeowners**

One of the chief problems facing homeowners in these economic times is that their property taxes are increasing while the value of their home is declining. Senate Republicans have acted on remedies that will help thousands of Michigan homeowners.

The Senate approved Senate Joint Resolution H to allow a public vote on an amendment to the Michigan Constitution to prevent an individual's residential property taxes from increasing from the previous year if the assessed value of their home decreased during the same period.

If a homeowner's property tax assessment actually fell below the taxable value of their home, the resolution



would allow for the taxable value to decrease with the lower assessment. SJR H is now in the House for consideration. To go before the voters, the resolution must receive 74 yes votes, which represents the two-thirds vote needed for constitutional amendments.

Another measure already approved by the Senate is my bill, Senate Bill 191, which would help families by increasing the

homestead property income tax credit from \$1,200 to \$1,300. My bill also allows more Michigan homeowners to qualify for the full credit, provides an additional \$50 increase for seniors or totally disabled individuals and indexes the credit value to inflation.

Taxpayers want transparent, open and effective government

People in Michigan, and nationwide, are concerned about how their government spends their money. Their trust in government has been shaken due to the recent federal bailout of the banks and the stimulus bill subsidized by taxpayers. The lack of accountability in those measures has made the need for transparency greater than ever.

Our new president and his administration has touted the benefits of transparency and already signed executive orders to make the federal process more open. Michigan Attorney General Mike Cox has been a leader on this issue and forged important ground with transparency in his department. Additionally, several states including Texas, Minnesota, Missouri and South Carolina have passed legislation requiring free, searchable Web sites with detailed information about state expenditures.

This is not a partisan issue. Transparency is a good government, taxpayer-friendly policy.

While rewriting the main business tax my fellow lawmakers and I did not have up-to-date information and were unable to verify key data. My experience during that process taught me that if lawmakers don't have access to critical information when writing bills, even well-meaning legislation can be inaccurate or incomplete. Requiring disclosure of this information can help avoid unintended consequences and errors.

To bring sunshine to the decision-making process, I introduced legislation that will bring transparency to Michigan government and the package of bills was

approved by the State Senate. My bills were modeled after an acclaimed program in the state of Washington.

Senate Bill 70 will require the Department of Treasury to share aggregate tax information by business category with the chair of the Senate Finance Committee, the chair of the House Tax Policy Committee and the directors of the House and Senate fiscal agencies.

SB 71, specifically requires that the Michigan Economic Growth Authority (MEGA) annual reports include specific information, such as the actual number of jobs created by MEGA credit recipients.

Another proposal, SB 72, would require Treasury to create and post on its Web site a database detailing all of the Michigan Business Tax credits available to businesses, how many companies are claiming the credits and how much is claimed annually.

This essential legislation is good public policy that bolsters a system of checks and balances as well as safeguards our companies' privacy and confidentiality.

I am heartened as the legislation is under consideration in the House Tax Policy Committee, because a group of 25 House Republicans recently joined Minority Leader Kevin Elsenheimer and the attorney general at a press conference expressing their support of government transparency. House members from both parties pledged to make transparency a cornerstone of the new term and that is promising news.

DISTRICT UPDATE



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FIRST Robotics

The importance of science and technology to the future of Michigan's economy was the focus of my recent address at the reception for the FIRST Robotics district competition in Lansing.

As an educator and a lawmaker, I have been a strong advocate for science and technology as critical to preparing our children for the new 21st Century workforce. I have been a long-term supporter of FIRST Robotics because the program teaches our young people critical thinking, innovative creativity and practical problem solving.

FIRST Robotics Competition brings together teams of students and their corporate engineering mentors for six weeks to design and build a competition robot from a kit of components.

I was honored to be able to address the wonderfully talented young adults. Seeing the ingenuity and drive of the participants, heartens my belief that the future of our great state is promising. In an increasingly competitive world economy, programs like FIRST Robotics help Michigan students develop the tools they will need to transform our state in the new 21st Century economy.

The founder of FIRST, Dean Kamen, was also a special guest at the reception, and I was honored to talk to him about how to improve science and technology in our schools.



Sen. Nancy Cassis was proud to welcome Dean Kamen, the founder of First Robotics (For Inspiration and Recognition of Science and Technology). He is a leading entrepreneur and inventor who is passionate about promoting opportunities for all high school students to become leaders of the next generation in science and technology - sectors that remain critical for the revival of America's economy. Kamen was a guest on the Senator's cable show "Lansing Connection". To view the show visit www.SenatorNancyCassis.com

